

EXHIBIT G

Sung Kook “Bill” Hwang

Presentation to
U.S. Attorney’s Office, S.D.N.Y.
January 7, 2022

Subject to FRE 408 and 410

Questions to Address

- Who Played What Role / Had Decision Making Authority at Archegos in 2020-21?
- What Was Archegos's Investment and Trading Strategy in 2020-21?
- Who Conveyed What Information to Counterparties in 2020-21?
- What Representations Were Made to Certain Counterparties Regarding the Size of Archegos's Positions in 2020-21?
- What Happened During the Week of March 22, 2021?

Questions to Address

- Who Played What Role / Had Decision Making Authority at Archegos in 2020-21?
- What Was Archegos's Investment and Trading Strategy in 2020-21?
- Who Conveyed What Information to Counterparties in 2020-21?
- What Representations Were Made to Certain Counterparties Regarding the Size of Archegos's Positions in 2020-21?
- What Happened During the Week of March 22, 2021?

Roles and Decision-Making Authority at Archegos

- Bill Hwang, Founder and Managing Member of the General Partner
- Andy Mills, Executive Chairman and CEO
 - Ran non-trading operations of the Fund
 - Direct reports included Chief Compliance Officer Michael Satine and CTO/Head of Quantitative Research Jensen Ko
- Patrick Halligan, CFO
 - Direct reports included Director of (Enterprise) Risk Management Scott Becker
- Brian Jones, co-President and Head of Research
 - Direct reports included Global Head of Macro Research Chris Burn and Head of China Strategy Charlie Shi
- Diana Pae, co-President and Head of Human Capital Management
- Will Tomita, Head Trader

Questions to Address

- Who Played What Role / Had Decision Making Authority at Archegos in 2020-21?
- What Was Archegos's Investment and Trading Strategy in 2020-21?
- Who Conveyed What Information to Counterparties in 2020-21?
- What Representations Were Made to Certain Counterparties Regarding the Size of Archegos's Positions in 2020-21?
- What Happened During the Week of March 22, 2021?

Archegos Pursued a Private Equity Approach to Public Markets



- Research focus on ~150 companies in defined sectors (e.g., Media & Entertainment, Technology, Fashion & Retail, Online Education, e-Commerce, Financial Services)
- Concentrated investing mostly in 20-30 companies
- Mostly large positions held primarily for the long term – years, not months

Archegos Had a Multi-Year Track Record of Successful Returns

<u>Date</u>	<u>ACM Gross Return</u>	<u>S&P 500 Return</u>	<u>NASDAQ Return</u>
12/31/2013	167.6%	29.6%	38.3%
12/31/2014	13.3%	11.4%	13.4%
12/31/2015	95.3%	-0.7%	5.7%
12/30/2016	33.8%	9.5%	7.5%
12/29/2017	21.5%	19.4%	28.2%
12/31/2018	-36.4%	-6.2%	-3.9%
12/31/2019	79.7%	28.9%	35.2%
12/31/2020	130.9%	16.3%	43.6%
3/22/2021 YTD	345.5%	4.9%	3.8%

Research: Who

- Archegos paid its Research Department, including 25 analysts and research professionals, total compensation of more than \$20 million in 2020.
- An additional six (6) analysts at an affiliated entity based in Korea provided research on Asian companies
- Archegos also retained several industry consultants with deep industry expertise, who worked exclusively for Archegos, including:
 - Telecom, internet and media: Paul de Sa, Dhani Jones, and Su Lee
 - Fashion and consumer: Barbara Garjian, Alice Kim, and Siki Im
- Bill ultimately selected the ~150 companies that Archegos covered and assigned the analyst(s) who would follow them

Research: How

- Analysts did deep research dives on the companies, and multiple analysts were assigned to the companies in Archegos's "Tier 1"
- Analysts evaluated a stock's value based on a Discounted Cash Flow (DCF) analysis, which varied according to the assumptions used, and they supplemented their research by talking with industry experts, attending industry conferences, and utilizing a whole range of research tools
- Analysts synthesized this extensive research for Bill in cap sheets, investment memos, and "Fisher 15" memos

Research: What

- Bill instructed his analysts to arrive at a “target price,” or “fair price,” for a company’s stock – *i.e.*, what the analysts believed the stock’s intrinsic value to be
- While Bill would consider the fair price recommended by his analysts, what mattered most in his investment decisions was his own assessment of the fair price
- Bill’s view of the fair price was based not only on his analysts’ opinions, but also his own conclusions drawn from their research summaries, as well as numerous other quantitative and qualitative factors, including external DCF analyses using the CS HOLT product, input from his industry consultants, sell side reports, macro/political trends, and Bill’s own investment experience and knowledge

From Research to Trading

- Based on the exhaustive research discussed above, Bill would provide instructions to his traders that would often include a “limit price” for each stock in which Archegos was trading that day
- This limit price was the price Bill was willing to pay for a given stock on a given day or time, not just in light of the difference between the fair price and the current market price, but a host of other factors, often including:
 - Fund resources
 - Bill’s degree of conviction about the stock
 - Macroeconomic indicators
 - Tax issues
 - Hedging goals

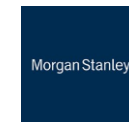
Trading

- Archegos traded based both on Bill's long-term goals for the portfolio and daily circumstances and opportunities
- In general, Bill would give instructions to the trading desk after communications with the traders about price limit, quantity, and/or percentage of volume. The traders then executed Bill's instructions.
- While Bill was kept apprised of how much capacity Archegos had, generally the traders, in consultation with the Operations team, decided which counterparties to use for any given trade
- The Compliance team reviewed trades (as well as analysts' research files) to detect potential compliance problems

Archegos's Use of Margin

- Archegos had a prime brokerage relationship with 7 of Wall Street's largest banks
- Scott Becker, under the supervision of Patrick Halligan, and Will Tomita negotiated margin terms

CREDIT SUISSE 



Archegos Used Total Return Swaps

- A total of 11 banks – six prime brokers (all but Wells Fargo) plus five more – were counterparties to total return equity swaps with Archegos
- If banks bought the underlying stock as part of the swap execution, they presumably would report their holdings to the SEC if they exceeded certain thresholds
- Archegos obtained legal advice with respect to any reporting obligations on its swap positions
- Use of total return swaps helped Archegos keep its investments private



Counterparties Required Hedges

- Prime brokers managed their credit risk via the margin they set and also required Archegos to hedge its exposure to potential stock price declines
- Its counterparties were involved in hedging decisions:

CREDIT SUISSE GROUP SPECIAL COMMITTEE OF THE BOARD OF DIRECTORS
REPORT ON ARCHEGOS CAPITAL MANAGEMENT

July 29, 2021



“To mitigate Archegos’ long Chinese ADR exposure, ***the trading desk [at CS] worked with Archegos*** to create custom equity backed swaps that Archegos shorted.” — *PW Report at 87*

From: yifei.cheng@ubs.com <yifei.cheng@ubs.com>

Sent: Thursday, March 18, 2021 9:52 AM

To: William Tomita <wtomita@archegoscapi.com>; Scott Becker <sbecker@archegoscapi.com>

Cc: bryan.fairbanks@ubs.com; mihaail.nikolov@ubs.com; chris.salcedo@ubs.com; scott.alpaugh@ubs.com; bradley.lutzer@ubs.com

Subject: Archegos/UBS margin proposal and booksize limit increase to 12bn

Hi Will,

Apologies for the delay but we got the good news for you.

We are ok to increase the book size limit from 8bn to 12bn and looking forward to continuing to have productive exchange of information on periodic credit/risk DD call.

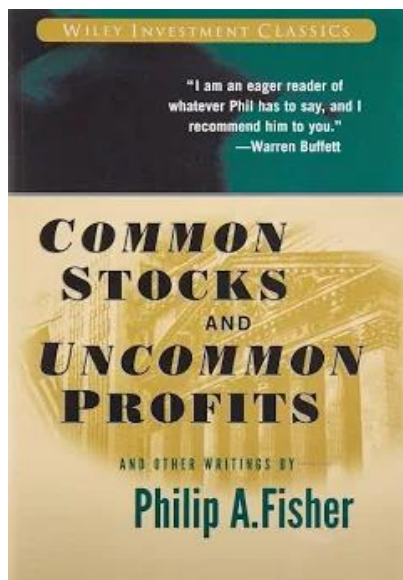
Please find margin proposal for the incremental book and happy to have a call to walk you through if there is any question.

Below proposal is based on gross book size up to 12bn (no new exposure after reaches 12bn gross book size)

- Long/short ratio for the overall book remain at ~1.5x – no change
- 5% base on short index/ETF hedge and 7.5% on short single name - no change
- For new names – no change:
 - 15% base for large cap, low vol (i.e. 90d vol <50), non-communication sector names (i.e. IBM, MSFT, APPL etc)
 - 20%~25% base for other non-communication sector names with moderate vol
 - 30% for communication sector names
- For additional capacity of existing names:

Archegos-SDNY 27121

The Pandemic Created an Opportunity That Archegos Seized Consistent With its Investment Philosophy



"If an investor has about decided to buy a particular common stock and the arrival of a full-blown war scare starts knocking down the price, he should ignore the scare psychology of the moment and definitely begin buying."

(p. 146)





- Conveying Fisher's message during a company-wide Zoom and follow-up email on April 23, 2020, Bill analogized the pandemic to "a war that we know we are going to WIN. . . . [T]he winning outcome is almost certain God willing of course so that we can imagine and focus on the reconstruction (reopening of the economy)."
- Thus, when the onset of the pandemic in early 2020 depressed equity markets, Archegos took advantage of this attractive buying opportunity.

Most of Archegos's Top 15 Investments Remained Companies in which It Had Large Positions Before the Pandemic

	3/31/2020	6/30/2020	3/22/2021
1	iQIYI	iQIYI	ViacomCBS
2	Fiserv	Bidu	Bidu
3	Bidu	GSX Techedu	Tencent Music
4	Vipshop	ViacomCBS	GSX Techedu
5	Netflix	Tencent Music	Vipshop
6	Tencent Music	Amazon	Discovery A
7	Amazon	Vipshop	iQIYI
8	Deutsche Bank	Alibaba	Discovery C
9	Microsoft	Fiserv	Farfetch
10	Blackstone	Alphabet	Shopify
11	Texas Capital Bancshares	Facebook	Texas Capital Bancshares
12	Facebook	Microsoft	Amazon
13	LendingClub	Netflix	Microsoft
14	KKR	Deutsche Bank	Facebook
15	ViacomCBS	Texas Capital Bancshares	Alibaba

- 9 of the Top 15 companies in March 2021 were the same as when the pandemic hit in March 2020
- At the start of the pandemic, ACM had a position in all but two of the companies that were in its Top 15 in March 2021 (Shopify and Alibaba)

The Major New Entrants to Archegos's Top 15 During the Pandemic Were Large Cap and High Volume

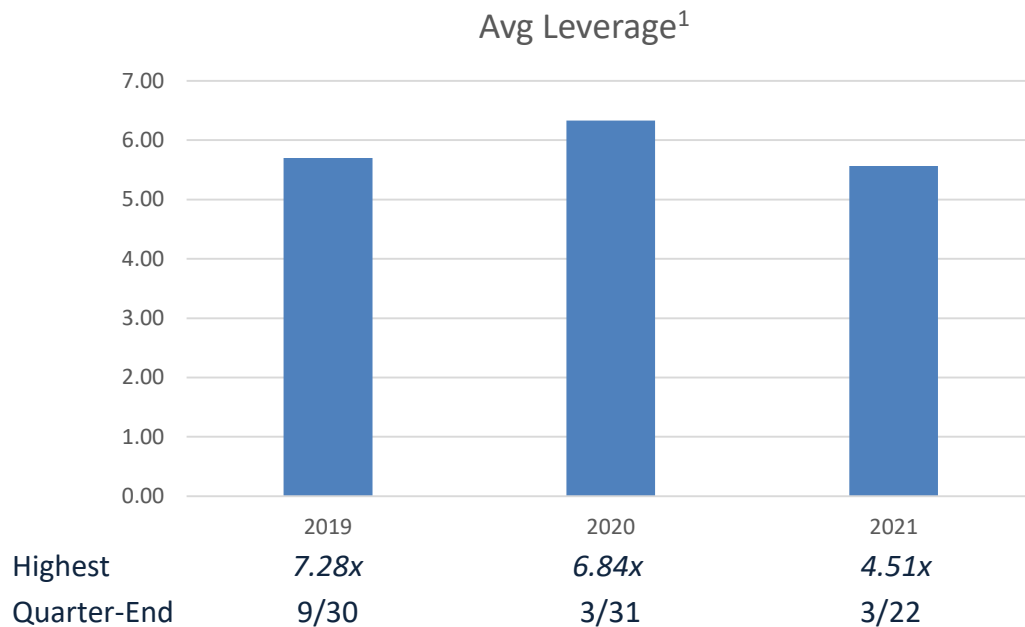
	Traded on	Market Cap ¹ (\$B)	Average Daily Volume ² (000s)	Average \$ Volume ² (\$M)
	NASDAQ: DISCA & DISCK	9.3 8.6	6,892 5,423	154.0 112.1
	NYSE: FTCH	2.4	4,464	40.1
	NYSE: GSX (now GOTU)	6.7	2,112	86.4
	NYSE: SHOP	42.5	3,254	1,356.3

¹ As of March 30, 2020

² Average of March 2020 daily volumes and closing prices

Source: www.macrotrends.net; Yahoo! Finance

Archegos's Average Leverage Declined in 2021



The ratio of gross exposure to end capital **decreased** from **7.28x** on September 30, 2019, to **4.51x** on March 22, 2021.

By way of comparison, average leverage at hedge funds was between 6 – 7x as of June 2020, according to the Federal Reserve's May 13, 2021 Financial Stability Report.

¹ Calculated based on average of each year's quarter-end leverage.

Questions to Address

- Who Played What Role / Had Decision Making Authority at Archegos in 2020-21?
- What Was Archegos's Investment and Trading Strategy in 2020-21?
- Who Conveyed What Information to Counterparties in 2020-21?
- What Representations Were Made to Certain Counterparties Regarding the Size of Archegos's Positions in 2020-21?
- What Happened During the Week of March 22, 2021?

Interaction with Counterparties

- Andy Mills and Will Tomita, along with Brian Jones, identified potential counterparties, while Tomita, Becker, and Halligan negotiated terms with them, guided by experienced counsel
- Bill did not oversee the negotiations of agreements with counterparties. He relied on his team to advise him about any provisions in any resulting agreements that they considered so important as to require his approval. Otherwise, Bill simply executed these agreements with counterparties upon being told they were ready to sign.
- Bill knew nothing about any representations in any counterparty agreements limiting the size of any single investment position or requiring disclosures of the Fund's holdings to other brokers

Questions to Address

- Who Played What Role / Had Decision Making Authority at Archegos in 2020-21?
- What Was Archegos's Investment and Trading Strategy in 2020-21?
- Who Conveyed What Information to Counterparties in 2020-21?
- What Representations Were Made to Certain Counterparties Regarding the Size of Archegos's Positions in 2020-21?
- What Happened During the Week of March 22, 2021?

Archegos's Disclosures to Counterparties Were Consistent With Industry Practice

CREDIT SUISSE GROUP SPECIAL COMMITTEE OF THE BOARD OF DIRECTORS
REPORT ON ARCHEGOS CAPITAL MANAGEMENT

July 29, 2021

“Former and current CS employees described **Archegos's level of disclosure as 'average' compared to other hedge funds**, as it disclosed, among other data, its ratio of unencumbered cash, other prime brokers, the concentration of its top positions relative to its NAV, leverage, and asset liquidity.” — *PW Report at 45 n.25*

- Bill is not aware of any circumstances in which a counterparty declined to do business with Archegos based upon the Fund refusing to provide the counterparty with information about its positions

Outside Counsel Advised Archegos Regarding 13d and 13f

- Archegos retained, as its primary outside counsel, a sophisticated law firm, Ropes & Gray, with experts well-versed in securities law filing requirements
- Outside counsel advised Archegos on a variety of securities law matters, including, importantly, on the reporting obligations under Regulations 13d and 13f
- While Bill was not involved in those discussions, he believes Archegos followed outside counsel's guidance with respect to its reporting obligations

Archegos Diligently Monitored the 5% Cash Ownership Threshold

- Scott Becker performed a weekly “ownership test” to monitor the Fund’s ownership in cash shares as compared to the outstanding securities of each issuer and confirm that Archegos did not own 5% or more of any company in which it was invested
- These reports were circulated every Thursday with a narrative email and accompanying Excel spreadsheet. See, e.g., Archegos 26794 and attachments.

Representation Regarding Size of Positions

- You asked us to address a representation that the sum of equity and swap positions in any given stock would not exceed a certain threshold
- We are aware of a swap arrangement with only one bank (CS) and a number of trade confirmations with one other bank (MUFG) that contained such a provision
- We are unaware of any such provision in any agreement between Archegos and any of the other 9 swap counterparties
- Bill was never informed about or aware of these provisions in the CS agreement or MUFG confirmations, or about any other agreement with a counterparty that would restrict his ability to take a position in a company

Questions to Address

- Who Played What Role / Had Decision Making Authority at Archegos in 2020-21?
- What Was Archegos's Investment and Trading Strategy in 2020-21?
- Who Conveyed What Information to Counterparties in 2020-21?
- What Representations Were Made to Certain Counterparties Regarding the Size of Archegos's Positions in 2020-21?
- What Happened During the Week of March 22, 2021?

The Week of March 22, 2021

- On March 24, markets moved against several of Archegos's positions simultaneously and in an extreme and unexpected way, as shares in four of its top holdings each dropped by 20% or more: Viacom (23%), Tencent Music Entertainment (27%), Vipshop (21%), and iQIYI (20%)
- Further investigation – including the conduct of the banks and their clients' trading activity during this timeframe – is needed to determine all the reasons for the losses, including the extent to which counterparties' trading increased their magnitude
- Nevertheless, Archegos's equity capital remained positive through the start of the day on Friday, March 26:

Date	Ending Capital (\$B)
Mon Mar 22	36.3
Tues Mar 23	32.7
Wed Mar 24	16.9
Thurs Mar 25	9.2
Fri Mar 26	est. -5.8

- Bill thus believed that he could work with the banks to enable Archegos to sell enough of its holdings to meet margin calls

The Week of March 22, 2021 (cont'd)

03/24/2021 14:49:15 UTC PATRICK HALLIGAN (PHALLIGAN7@Bloomberg.net) posted: Someone is picking our names apart

03/24/2021 14:49:37 UTC PATRICK HALLIGAN (PHALLIGAN7@Bloomberg.net) posted: This is too coordinated on our top stuff

03/24/2021 15:01:40 UTC WILLIAM TOMITA (WTOMITA1@Bloomberg.net) posted: This is all so crazy

03/24/2021 15:01:52 UTC WILLIAM TOMITA (WTOMITA1@Bloomberg.net) posted: Our whole long book

03/24/2021 15:01:55 UTC PATRICK HALLIGAN (PHALLIGAN7@Bloomberg.net) posted: Has to be one of the brokers

03/24/2021 15:01:59 UTC WILLIAM TOMITA (WTOMITA1@Bloomberg.net) posted: Who are IQ, VIPS and TME all down 15%

03/24/2021 15:02:15 UTC PATRICK HALLIGAN (PHALLIGAN7@Bloomberg.net) posted: Someone is purposely doing this

03/24/2021 15:02:18 UTC WILLIAM TOMITA (WTOMITA1@Bloomberg.net) posted: Are they allowed to do that without telling us?

During a Bloomberg chat on the afternoon of March 24, Patrick Halligan speculated with Will Tomita that “[s]omeone is picking our names apart” because “[t]his is too coordinated on our top stuff” and that “[s]omeone is purposely doing this”

The Week of March 22, 2021 (cont'd)

- Bill lost more than any bank. Some banks may even have profited
- Bill transferred no money out of the Fund to himself in 2021:

Disbursements (\$MM) to:

Year/ 2021 Month	ACM	Grace & Mercy	Personal
2020	59.0	4.0	0.5
Jan	5.5	-	-
Feb	-	-	-
Mar	7.5	-	-
Apr	-	-	-
May	-	-	-
TOTAL	72.0	4.0	0.5